

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: EXECUTIVE ORDERS 8 AND 9 REQUIRED REVISIONS TO CHAPTERS 19, 20, 21, 35, and 36 | DOCKET NO. RMU-03-1 |
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ORDER COMMENCING RULE MAKING

(Issued January 17, 2003)

Pursuant to the authority of Iowa Code §§ 476.1, 476.1A, 476.1B, 476.1C, 476.2, 476.4, 476.6, 476.42, and 17A.4, the Utilities Board (Board) proposes to adopt the amendments attached hereto and incorporated herein by reference in this order. On September 14, 1999, Governor Vilsack issued Executive Orders 8 and 9 to begin a comprehensive review process of all agency rules using the criteria of need, clarity, intent, statutory authority, cost, fairness, and whether the rules are consistent with the principles contained in Executive Order 9. The Board was also required to review any rules routinely waived by the Board and to determine if the rule can be redrafted so routine waivers are not necessary.

In response to the Executive Orders, the Board, on February 23, 2000, issued an "Order Regarding Plan for Regulatory Review" in which the Board assigned various chapters of its rules to Board staff teams. One of the teams reviewed chapters 19, 20, and 21 and sent proposed revisions to interested parties. Comments were received from Alliant Energy Corporation (Alliant), the Iowa Association of Electrical Cooperatives (IAEC), the Iowa Association of Municipal

Utilities (IAMU), MidAmerican Energy Company (MidAmerican), the Consumer Advocate Division of the Department of Justice (Consumer Advocate), and Peoples Natural Gas Company, Division of UtiliCorp United Inc., n/k/a Aquila, Inc., d/b/a Aquila Networks (Aquila).

Revisions were made based on the comments and those revisions were submitted to the Governor's office. The Governor has completed his review and the Board is opening this rule making, Docket No. RMU-03-1, for public comment. The revisions proposed by the Board should not be considered a final or complete updating of Board rules. Subsequent revisions will undoubtedly be required as further review occurs.

The three chapters reviewed establish rules for gas, electric, and water utilities in providing service to customers. The objective of each chapter is to promote safe and adequate service to the public, to provide standards for uniform and reasonable practices by utilities, and to establish a basis for determining the reasonableness of demands made by the public on the utilities. During the review, the Board found many inconsistencies in wording and organization among the three chapters even though they deal with similar issues. The Board is proposing amendments to the three chapters to update references to federal standards, clarify existing provisions, delete unnecessary provisions, and to make the three chapters consistent, unless utility differences require different rules. The Board also found that some of the provisions of chapter 20 relating to energy efficiency should be moved to chapters 35 and 36 and amendments are proposed to those chapters.

A significant number of the waivers granted for the three chapters involved the purchased gas adjustment (PGA) provisions of chapter 19. The revisions that would be necessary to address those PGA provisions are too substantial to be addressed in this rule making. The Board is considering conducting a thorough review of the purchased gas adjustment rules in another proceeding.

Several of the other waivers were directed to the master metering rules. Revisions to the Board's rules on master metering are being addressed in Docket No. RMU-02-6.

Below, the Board will address the substantive amendments that are being proposed. The Board will not address all clarifying or non-substantive changes.

The Board is proposing changes to rule 19.1 to add clarity to the description of the Board's jurisdiction over municipal utilities and natural gas companies. The Board is also proposing revisions to make the definitions in chapter 19 consistent with those in chapter 20 and to update the definitions. The Board is proposing to change the waiver language in subrule 19.1(1) to refer to the Board's waiver rule at 199 IAC 1.3.

The Board is amending rule 19.2 to update for statutory changes, such as subrule 19.2(4) concerning review of gas procurement practices. The Board is also amending subparagraph 19.2(4)"c"(3) to require the utility to include in its tariffs the utility's policy concerning what service it will provide at no charge in adjusting consumer appliances.

Subparagraph 19.2(4)"c"(8) is amended to move the requirement for filing affiliate contract information to subrule 19.11(6). New subrule 19.11(6) will require

the filing of executive summaries of the contracts rather than the contracts. An executive summary will provide staff with information that can be used to determine the appropriate time for periodic reviews. This change clarifies the requirement and reduces the filing burden for the utilities. This is consistent with changes proposed in Docket No. RMU-02-10 to rule 31.3.

The Board is proposing to eliminate the reference to rural and urban rates in subparagraph 19.2(4)"c"(18) since no gas local distribution company uses these designations. The Board is deleting the reference to "gas production plant" and "principal storage holder" in subparagraphs 19.2(5)"a"(1) and (2). The Board is also updating references to federal safety standards in paragraph 19.2(5)"g."

The Board is proposing to move metering requirements from subrule 19.3(2) to subrule 19.6(7) and modifying subrule 19.3(3) so there are no limitations on how meter reading records may be kept. The Board is amending subrule 19.3(7) for consistency and to remove redundancy.

The Board is amending subrule 19.3(10) to distinguish between the extension requirements for distribution mains and service lines. The amendments will also allow for non-refundable contribution in aid of construction rather than advances for construction that may require refunds. In addition, the first part of the formula for determining the contribution for service line extensions should be changed from "Estimated Cost of Construction" to "Estimated Construction Costs" to be consistent with the terms defined in paragraph 19.3(10)"a."

The Board will update the references to federal pipeline safety reporting requirements in subrule 19.5(2).

The Board is proposing changes to subrules 19.9(1), (2), and (3) to eliminate redundant earlier versions of energy efficiency rules and subrule 19.10(5) to eliminate provisions relating to take-or-pay contracts. The Board is amending subrule 19.12(4) to require annual filings concerning flexible rates rather than semi-annual filings.

The Board is eliminating the mandatory requirement in paragraph 19.13(4)"c" that a utility charge a transportation customer a reconnection charge for returning to system supply.

The Board is amending rule 19.15 to allow the designation of a state agency instead of a board or committee to distribute funds for weatherization and energy assistance.

The Board has proposed several changes to 199 IAC chapter 20 to clarify provisions, update provisions, and to make provisions consistent between chapter 19. The Board is proposing amendments to rules 20.1 and 20.2 similar to those made to rules 19.1 and 19.2.

The Board is deleting subrule 20.3(2) and adding the language to a new subrule 20.6(7), where the other meter rules are located. The Board is amending subrule 20.3(6) to recognize that it is possible to transmit customer meter readings to the utility electronically or for the meter to be read electronically. Subrule 20.3(13) is being amended to distinguish between service line extension requirements for distribution line extensions and service line extensions.

The Board is moving the provisions in subrule 20.3(2) to a more appropriate location in rule 20.6 on metering. The Board notes that the last sentence of the subrule contains the word "should," indicating a suggested practice, rather than

"shall," which makes the rule mandatory. The Board is proposing to make proper meter and index sizing mandatory.

The Board is amending subrule 20.7(8) to adopt the industry practice of expressing the accuracy of a measuring instrument in terms of error percent of full scale. The Board is deleting subparagraph 20.9(2)"b"(6) to reflect revisions to 199 IAC chapter 15. The Board is deleting subrule 20.10(9) to eliminate provisions that are no longer necessary.

The Board is deleting rule 20.12, relating to new structure energy conservation standards and moving the provisions to 199 IAC chapters 35 and 36. The Board is amending rule 20.15, related to customer contribution funds, to be consistent with the amendments proposed in rule 19.15. Rule 20.15 calls for the naming of a board or committee to determine distribution of the funds. It is possible an already existing agency could be used for that purpose. The use of the word "board" could cause some confusion with the term "board" used to designate the "Utilities Board." Therefore, the word "governing" is also inserted in the section.

The Board is amending rule 20.16. The subject matter of the rule concerning exterior flood lighting is more closely related to energy efficiency than it is to general electric service (Chapter 20). Moving these provisions to the energy efficiency rules for rate-regulated utilities (Chapter 35) and non-rate regulated utilities (Chapter 36) provides a more logical association and clarifies the rule by providing easier reference.

The Board is adding the word "emission" to the title of subrule 20.17 to clarify the type of allowances that are being addressed by the rule.

The Board is proposing amendments to 199 IAC chapter 21 related to service provided by water utilities. These amendments will bring chapter 21 into alignment with chapters 19 and 20.

IT IS THEREFORE ORDERED:

1. A rule making proceeding, identified as Docket No. RMU-03-1, is commenced for the purpose of receiving comments on the proposed rules in the notice attached hereto and incorporated herein by reference in this order.

2 The Executive Secretary is directed to submit for publication in the Iowa Administrative Bulletin a notice in the form attached to and incorporated by reference in this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 17th day of January, 2003.

UTILITIES DIVISION [199]

Notice of Intended Action

Pursuant to Iowa Code sections 476.1, 476.1A, 476.1B, 476.1C, 476.2, 476.4, 476.6, and 17A.4, the Utilities Board (Board) gives notice that on January 17, 2003, the Board issued an order in Docket No. RMU-03-1, In re: Executive Orders No. 8 and 9 Required Revisions to Chapters 19, 20, 21, 35, and 36, "Order Commencing Rule Making." The rule making results from the Board's review of its rules in response to Executive Orders 8 and 9 issued by Governor Vilsack on September 14, 1999. The Board, on February 23, 2000, issued an order, directing Board staff to conduct a review of the Board's administrative rules. Staff reviewed 199 IAC chapters 19, 20, and 21 and sent proposed revisions to interested parties.

Responses were received from Alliant Energy Corporation (Alliant), the Iowa Association of Electrical Cooperatives (IAEC), the Iowa Association of Municipal Utilities (IAMU), MidAmerican Energy Company (MidAmerican), the Consumer Advocate Division of the Department of Justice (Consumer Advocate), and Peoples Natural Gas Company, Division of UtiliCorp United Inc., n/k/a Aquila, Inc., d/b/a Aquila Networks (Aquila).

Revisions were made based upon the comments and were submitted to the Governor's office. The Governor has completed his review and the Board is commencing this rule making for public comment. The revisions proposed by the Board in this rule making should not be considered a final or complete updating of Board rules. Subsequent revisions may be required as further review occurs.

The order commencing the rule making contains a discussion of the background and reasons for this proposed rule making. The order is available on the Board's Web site at www.state.ia.us/iub.

Pursuant to Iowa Code sections 17A.4(1)"a" and "b," any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before February 25, 2003, by filing an original and ten copies in a form substantially complying with 199 IAC 2.2(2). All written statements should clearly state the author's name and address and should make specific reference to this docket. All communications should be directed to the Executive Secretary, Utilities Board, 350 Maple Street, Des Moines, Iowa 50319-0069.

No oral presentation is scheduled at this time. Pursuant to Iowa Code section 17A.4(1)"b," an oral presentation may be requested or the Board on its own motion after reviewing the comments may determine that an oral presentation should be scheduled.

These amendments are intended to implement Iowa Code sections 476.1, 476.1A, 476.1B, 476.1C and 476.2, 476.6, and 17A.4.

The following amendments are proposed.

Item 1. Amend rule 199—19.1(476) as follows:

19.1(476) General information.

19.1(1) Authorization of rules. Iowa Code chapter 476 provides that the Iowa utilities board shall establish all needful, just and reasonable rules, not inconsistent with law, to govern the exercise of its powers and duties, the practice and procedure before it, and to govern the form, contents and filing of reports, documents and other papers necessary to carry out the provisions of this law.

Chapter 479 provides that the Iowa utilities board shall have full authority and power to promulgate rules, as it deems proper and expedient in the supervision of the transportation or transmission and underground storage of gas within the state of Iowa.

The application of the rules in this chapter to municipally-owned utilities furnishing gas is limited by Iowa Code section 476.1B.

19.1(2) Application of rules. The rules shall apply to any gas utility operating within the state of Iowa as defined in chapter 476 and shall supersede ~~all rules~~ any tariff on file with this board which ~~are~~ is in conflict with these rules. These rules are intended to promote safe and adequate service to the public, to provide standards for uniform and reasonable practices by utilities, and to establish a basis for determining the reasonableness of such demands as may be made by the public upon the utilities. ~~If unreasonable hard ship to a utility or to a customer results from the application of any rule herein prescribed, application may be made to the board for the modification of the rule or for temporary or permanent exemption from its requirements. A request to waive the application of any rule on a permanent or temporary basis may be made in accordance with rule 199—1.3.~~ The adoption of these rules shall in no way preclude the board from altering or amending them, pursuant to statute, or from making such modifications with respect to their application as may be found necessary to meet exceptional conditions. These regulations shall in no way relieve any utility from any of its duties under the laws of this state.

19.1(3) Definitions. The following words and terms, when used in these rules shall have the meaning indicated below:

~~“Delinquent account or delinquency” means the customer has not paid an~~
account for which a service bill or service payment agreement ~~amount~~ has not been
paid in full on or before the last day for timely payment.

~~“Interruption of service” means any disturbance of the gas supply whereby the~~
~~pilot flame on the appliances of at least~~ gas service to 50 customers or more in one
segment or in a portion of a distribution system ~~shall have been extinguished~~ cannot
be maintained.

Item 2. Amend rule 199—19.2(476) as follows:

19.2(476) Records, reports, and tariffs.

19.2(1) No change.

19.2(2) Tariffs to be filed with the board. ~~The utility shall file its tariff with the~~
~~board, and shall maintain such tariff filing in a current status.~~

The schedules of rates and rules of rate-regulated gas utilities ~~and rules of all~~
~~utilities~~ shall be filed with the board and shall be classified, designated, arranged,
and submitted so as to conform to the requirements of this chapter. Provisions of
the schedules shall be definite and so stated as to minimize ambiguity or the
possibility of misinterpretation. The form, identification, and content of tariffs shall be
in accordance with these rules.

Utilities which are not subject to the rate regulation provided for by Iowa Code
chapter 476 shall not be required to file schedules of rates, or contracts primarily
concerned with a rate schedule, with the board but nothing contained in these rules
shall be deemed to relieve any utility of the requirement of furnishing any of these
same schedules or contracts which are needed by the board in the performance of
the board’s duties upon request to do so by the board.

19.2(3) Form and identification. All tariffs shall conform to the following rules:

a. No change.

b. No change.

c. All sheets except the title page shall have, in addition to the above-stated requirements, the following ~~further~~ information:

(1) Name of utility under which shall be set forth the words "Filed with Board." If the utility is not a corporation, and a trade name is used, the name of the individual or partners must precede the trade name.

(2) Issuing official and issue date.

(3) Effective date (to be left blank by rate-regulated utilities.)

d. No change.

19.2(4) Content of tariffs. A tariff filed with the board shall contain:

a. No change.

b. All rates of utilities subject to rate regulation for service with indication of each rate for the type of gas and the class of customers to which each rate applies. There shall also be shown the prices per unit of service, the number of units per billing period to which the prices apply, the period of billing, the minimum bill, the method of measuring demands and consumptions, including the method of calculating or estimating loads or minimums, delivery pressure, and any special terms or conditions applicable. All rates should be separated into "gas" and "nongas" components, and books and records shall be maintained on this basis. Books and records shall be available to the board for audits upon request. The gas components will be the result of the utility's ARG periodic review of gas procurement practices (rule 19.11(476)) and PGA (rule 19.10(476)) proceeding. The nongas

components will be established through rate case proceedings under Iowa Code section 476.3 or 476.6. The period during which the net amount may be paid before the account becomes delinquent shall be specified. In any case where net and gross amounts are billed, the difference between net and gross is a late payment charge and shall be so specified.

Customer charges for all special services relating to providing the basic utility service including, but not limited to, reconnect charge and different categories of service calls shall be specified.

c. A copy of the utility's rules, or terms and conditions, describing the utility's policies and practices in rendering service include:

(1) No change.

(2) No change.

(3) General statement indicating the extent to which the utility will provide service in the adjustment of customer appliances at no additional customer charge ~~over the filed commodity rates of rate-regulated utilities or commodity rates charged by non-rate-regulated utilities.~~

(4)-(7) No change.

(8) ~~A copy of each standard and special contracts for the purchase, sale or interchange of gas.~~ All tariffs must provide that, notwithstanding any other provision of this tariff or contract with reference thereto, all rates and charges contained in this tariff or contract with reference thereto may be modified at any time by a subsequent filing made pursuant to the provisions of Iowa Code chapter 476.

(9)-(17) No change.

(18) Rate-regulated utilities shall include a list of service areas and the applicable rates in such form as to facilitate ready determination of the rates available in each municipality and in such unincorporated communities as have service at urban rates. ~~If the utility has various rural rates, the areas where the same are available shall be indicated.~~

(19)-(22) No change.

19.2(5) Annual, periodic, and other reports to be filed with the board.

a. System map verification. A utility shall file annually with the board verification that it has a currently correct set of utility system maps for each operating or distribution area. The maps shall show:

~~(1) Gas production plant.~~

~~(2) Principal storage holder.~~

~~(3)~~ Peak shaving facilities location.

~~(4)~~ Feeder and distribution mains indicating size and pressure.

~~(5)~~ System metering (town border stations and other supply points).

~~(6)~~ Regulator stations in system indicating inlet and outlet pressures.

~~(7)~~ Calorimeter location.

~~(8)~~ State boundary crossing.

~~(9)~~ Franchise area.

~~(10)~~ Names of all communities (post offices) served.

b-f. No change.

g. Reports to federal agencies. Copies of reports submitted pursuant to 49 CFR Part 191 as amended through ~~April 30, 1999~~ December 31, 2002, "Transportation of Natural and Other Gas by Pipeline: Annual Reports, Incident Reports, and Safety-

Related Condition Reports,” shall be filed with the board. Utilities operating in states besides Iowa shall provide to the board data for Iowa only.

h-k. No change.

Item 3. Amend rule 199—19.3(476) as follows:

19.3(476) General service requirements.

19.3(1) No change.

19.3(2) Rescind. See 199 IAC 19.6(7).

19.3(3) Meter reading ~~sheets or cards~~ records. The meter reading ~~sheets, cards~~ or ledger sheets records shall show:

a-e. No change.

19.3(4) No change.

19.3(5) No change.

19.3(6) No change.

19.3(7) Meter reading and billing interval. Readings of all meters used for determining charges and billings to customers shall be scheduled at least monthly and for the beginning and termination of service. Bills to larger customers may, for good cause, be rendered weekly or daily for a period not to exceed one month. Intervals other than monthly shall not be applied to smaller customers, or to larger customers after the initial month provided above, without an exemption from the board. A ~~petition for exemption~~ waiver request must include ~~sufficient information to establish good cause for the exemption~~ the information required by 199—1.3. If the board denies an ~~exemption~~ a waiver, or if ~~no exemption~~ a waiver is not sought with respect to a large volume customer after the initial month, that customer’s bill shall be rendered monthly for the next 12 months, unless prior approval is received from

the board for a shorter interval. The group of larger customers to which shorter billing intervals may be applied shall be specified in the utility's tariff sheets, but shall not include residential customers.

An effort shall be made to obtain readings of the meters on corresponding days of each meter-reading period. The utility rules may permit the customer to supply the meter readings by telephone or on a form supplied by the utility. The utility may arrange for customer meter reading forms to be delivered to the utility by United States mail, electronically, or by hand delivery. Unless the utility has a plan to test check meter readings, a utility representative will read the meter at least once each 12 months and when the utility is notified there is a change of customer.

The utility may arrange for the meter to be read by electronic means. Unless the utility has a plan to test check electronic meter readings, a utility representative will physically read the meter at least once each 12 months.

19.3(8) No change.

19.3(9) No change.

19.3(10) Extensions to customers.

a. No change.

~~b. Terms and conditions. The utility shall extend service to new customers under the following terms and conditions:~~ Distribution main extensions.

(1) Plant additions. The utility will provide all gas plant at its cost and expense without requiring an advance for construction from customers or developers except in those unusual circumstances where extensive plant additions are required before the customer can be served, or where the customer will not attach within the agreed-upon attachment period after completion of construction. In such instances,

the utility shall require, no more than 30 days prior to commencement of construction, the customer or developer to advance funds, which are subject to refund as additional customers are attached. A contract between the utility and the customer, which requires an advance by the customer to make plant additions, shall be available for board inspection. The utility shall allow the customer or developer, at customer or developer option, to provide a contribution in aid of construction instead of an advance for construction, under subparagraphs 19.3(10)"b"(2) and (3) below.

(2) No change.

(3) No change.

~~(4) Contributions in aid of construction for service line extension. The utility shall finance and construct a service line extension without requiring a contribution in aid of construction or any payment by the applicant where the length of the service extension to the riser is up to 50 feet on private property or 100 feet on private property if polyethylene plastic pipe is used.~~

~~Where the length of the service extension exceeds 50 feet on private property or 100 feet if polyethylene plastic pipe is used, the applicant shall be required to provide a contribution in aid of construction for that portion of the service extension on the private property, exclusive of the riser, in excess of 50 feet or in excess of 100 feet in the case of polyethylene plastic pipe within 30 days after completion. The contribution in aid of construction for that portion of the extension shall be computed as follows:~~

~~(Estimated Cost of Construction) ×~~

~~(Total Length in Excess of 50 Feet) or (Total Length in Excess of 100 Feet)~~

Total Length of Service Extension

~~€~~(4) Refunds. The utility shall refund to the depositor for a period of ten years, from the date of the original advance, a pro-rata share for each service attachment to the distribution main extension. The pro-rata refund shall be computed in the following manner:

~~(4)~~1. If the combined total of three times estimated base revenue for the depositor and each customer who has attached to the distribution main extension exceeds the total estimated construction cost to provide the extension, the entire amount of the advance provided by the depositor shall be refunded to the depositor.

~~(2)~~2. If the combined total of three times estimated base revenue for the depositor and each customer who has attached to the distribution main extension is less than the total estimated construction cost to provide the extension, the amount to be refunded to the depositor shall equal three times estimated base revenue of the customer attaching to the extension.

~~(3)~~3. In no event shall the total amount to be refunded to a depositor exceed the amount of the advance for construction made by the depositor. Any amounts subject to refund shall be paid by the utility without interest. At the expiration of the above-described ten-year period, the customer advance for construction record shall be closed and the remaining balance shall be credited to the respective plant account.

c. Service line extensions. The utility shall finance and construct a service line extension without requiring a contribution in aid of construction or any payment by the applicant where the length of the service extension to the riser is up to 50 feet on private property or 100 feet on private property if polyethylene plastic pipe is used.

Where the length of the service extension exceeds 50 feet on private property or 100 feet if polyethylene plastic pipe is used, the applicant shall be required to provide a contribution in aid of construction for that portion of the service extension on the private property, exclusive of the riser, in excess of 50 feet or in excess of 100 feet in the case of polyethylene plastic pipe within 30 days after completion. The contribution in aid of construction for that portion of the extension shall be computed as follows:

(Estimated Construction Costs) ×

(Total Length in Excess of 50 Feet) or (Total Length in Excess of 100 Feet)
Total Length of Service Extension

d. No change

e. No change.

19.3(11) No change.

Item 4. Amend subrule 199—19.5(2) as follows:

19.5(2) Standards incorporated by reference.

a. The design, construction, operation, and maintenance of gas systems and liquefied natural gas facilities shall be in accordance with the following standards where applicable:

(1) 49 CFR Part 191, "Transportation of Natural and Other Gas By Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," as amended through ~~March 13, 2002~~ February 1, 2003.

(2) 49 CFR Part 192, "Transportation of Natural and Other Gas By Pipeline; Minimum Federal Safety Standards," as amended through ~~March 13, 2002~~ February 1, 2003.

(3) 49 CFR Part 193, “Liquefied Natural Gas Facilities: Federal Safety Standards,” as amended through ~~March 13, 2002~~ February 1, 2003.

(4) 49 CFR Part 199, “Drug and Alcohol Testing,” as amended through ~~March 13, 2003~~ February 1, 2003.

(5) ASME B31.8 1999, “Gas Transmission and Distribution Piping Systems.”

(6) ANSI/NFPA No. 59.2001, “Standards for the Storage and Handling of Liquefied Petroleum Gases at Utility Gas Plants.”

b. No change.

Item 5. Amend subrule 199—19.5(3) as follows:

19.5(3) Adequacy of gas supply. The natural gas ~~supply~~ regularly available from ~~pipeline~~ supply sources supplemented by production or storage capacity must be sufficiently large to meet all reasonable demands for firm gas service.

Item 6. Amend rule 199—19.6(476) as follows:

19.6(476) Metering.

19.6(1) No change.

19.6(2) No change.

19.6(3) No change.

19.6(4) No change.

19.6(5) Request tests. Upon request by a customer, a utility shall test the meter servicing that customer, ~~except that such tests~~ A test need not be made more frequently than once in 18 months.

19.6(6) Referee tests. Upon written request by a customer or utility, the ~~utilities~~ board will conduct a referee test of a meter, ~~except that such tests~~ A test need not

be made more frequently than once in 18 months. The customer request shall be accompanied by a \$30 check or money order made payable to the utility.

Within five days of receipt of the written request and payment, the ~~utilities~~ board shall forward the deposit to the utility and notify the utility of the requirement for a test. The utility shall, within 30 days after notification of the request, schedule the date, time and place of the test with the board and customer. The meter shall not be removed or adjusted before the test, ~~and~~ The utility shall furnish all testing equipment and facilities for the test. If the tested meter is found to be more than 2 percent fast or 2 percent slow the deposit will be returned to the party requesting the test and billing adjustments shall be made as required in 19.4(13). The board shall issue its report within 15 days after the test is conducted, with a copy to the customer and the utility.

19.6(7) Condition of meter. No meter shall be installed or continued in service which is known to be mechanically defective, has an incorrect correction factor, or has not been tested and adjusted, if necessary, in accordance with 19.6(2)"b," "c," and "e." The capacity of the meter and the index mechanism shall be consistent with the gas requirements of the customer.

Item 6. Amend subrule 199—19.7(4) as follows.

19.7(4) Standards for pressure measurements.

a. No Change.

b. Working standards. Each utility must have or have access to water manometers, ~~mercury manometers~~, laboratory quality indicating pressure gauges, and field type dead weight pressure gauges as necessary for the proper testing of the indicating and recording pressure gauges used in determining the pressure on

the utility's system. Working standards must be checked periodically by comparison with a secondary standard.

Item 7. Amend subrule 199—19.7(7) as follows:

19.7(7) Interruptions of service.

a. No change.

b. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers, ~~and interruptions~~ Interruptions shall be preceded by adequate notice to those who will be affected.

Item 8. Rescind and reserve rule 199—19.9(476).

Item 9. Amend paragraph 199—19.10(1)"d" as follows:

d. ~~The calculation of the rate factors Rc, Rd, Rn and Rz, to be in effect September 1, shall be exclusive of past take-or-pay charges, which may be recovered pursuant to subrule 19.10(5).~~

The purchased gas adjustments shall be adjusted prospectively to reflect the final decision issued by the board in ~~an annual~~ a periodic review proceeding.

Item 10. Rescind and reserve subrule 199—19.10(5).

Item 11. Amend 199—19.11 by adding a **new** subrule as follows:

19.11(6) Executive summary. On or before August 1, 2003, each natural gas utility shall file an executive summary and index of all standard and special contracts for the purchase, sale or interchange of gas in effect. On or before August 1 each year thereafter, each natural gas utility shall file an update of the executive summary and index showing the standard and special contracts for the purchase, sale or interchange of gas in effect on that date. The executive summary shall include the following information.

- a. The contract number;
- b. The start and end date;
- c. The parties to the contract;
- d. The total estimated dollar value of the contract;
- e. A description of the type of service offered (including volumes and price).

Item 12. Amend subrule 199—19.12(4) as follows:

19.12(4) Reporting requirements. Each natural gas utility electing to offer flexible rates shall file ~~semi~~annual reports with the board within 30 days of the end of each ~~six~~ 12 months. Reports shall include the following information:

a. Section 1 of the report will concern discounts initiated in the last ~~six~~ 12 months. For all discounts initiated in the last ~~six~~ 12 months, the report shall include:

- (1) The identity of the new customers (by account number, if necessary);
- (2) The value of the discount offered;
- (3) The cost-benefit analysis results;
- (4) The cost of alternate fuels available to the customer, if relevant;
- (5) The volume of gas sold to or transported for the customer in the preceding ~~six~~ 12 months; and

(6) A copy of all new or revised flexible rate contracts executed between the utility and its customers.

b. Section 2 of the report relates to overall program evaluation. For all discounts currently being offered, the report shall include:

- (1) The identity of each customer (by account number, if necessary);
- (2) The total volume of gas sold or transported in the last ~~six~~ 12 months to each customer at discounted rates, by month;

(3) The volume of gas sold or transported to each customer in the same ~~six~~ 12 months of the preceding year, by month;

(4) The dollar value of the discount in the last ~~six~~ 12 months to each customer, by month;

(5) The dollar value of volumes sold or transported to each customer for each of the previous 12 months; and

(6) If customer charges are discounted, the dollar value of the discount shall be separately reported.

c. Section 3 of the report concerns discounts denied or discounts terminated. For all customers specifically evaluated and denied or having a discount terminated in the last ~~six~~ 12 months, the report shall include:

(1) Customer identification (by account number, if necessary);

(2) The volume of gas sold or transported in the last ~~six~~ 12 months to each customer, by month;

(3) The volume of gas sold or transported to each customer in the same ~~six~~ 12 months of the preceding year, by month; and

(4) The dollar value of volumes sold or transported to each customer for each of the past 12 months.

d. No report is required if the utility had no customers receiving a discount during the relevant period and had no customers which were evaluated for the discount and rejected during the relevant period.

Item 13. Amend paragraph 199 —19.13(4)"c" as follows:

c. The utility ~~shall~~ may require a reconnection charge when an end-user receiving transportation service without system supply reserve service requests to

return to the system supply. The end-user shall return to the system and receive service under the appropriate classification as determined by the utility.

Item 14. Amend rule 199 —19.15(476) as follows:

19.15(476) Customer contribution fund.

19.15(1) Applicability and purpose. This rule applies to each gas public utility, as defined in Iowa Code sections 476.1 and 476.1B. Each utility shall ~~develop~~ maintain a program plan to assist the utility's low-income customers with weatherization and to supplement assistance received under the federal low-income heating energy assistance program for the payment of winter heating bills. ~~The program shall be implemented on or before March 1, 1989.~~

19.15(2) Program plan. ~~On or before February 1, 1988,~~ Each utility shall have on file with the utilities board a detailed description of its program plan. At a minimum, the plan shall include the following information:

- a. A list of the members of the governing board or committee established to determine the appropriate distribution of the funds collected. The list shall include the organization each member represents;
- b. A sample of the customer notification with a description of the method and frequency of its distribution;
- c. A sample of the authorization form provided to customers; and
- d. The ~~anticipated~~ date of implementation.

Program plans for new customer contribution funds shall be rejected if not in compliance with this rule. ~~Program plans for existing customer contribution funds existing prior to July 1, 1988, and determined by the board not to be in compliance~~

~~with this rule shall be allowed until July 1, 1989, to comply, during which time such programs shall continue to operate.~~

19.15(3) No change.

19.15(4) No change.

19.15(5) No change.

19.15(6) No change.

Item 15. Amend subrule 199—19.16(5) as follows:

19.16(5) Rebuttable presumption. All gas available to meet demand in excess of an amount needed to meet the base period demand plus the reserve is presumed to be unjust and unreasonable unless a factual showing to the contrary is made during the ~~annual~~ periodic review of gas proceeding. All gas available to meet demand less than an amount of base period demand plus the reserve is presumed to be just and reasonable unless a factual showing to the contrary can be made during the annual review of gas proceeding.

Item 16. Amend rule 199—20.1(476) as follows:

20.1(476) General Information.

20.1(1) Authorization of rules. Iowa Code chapter 476 provides that the Iowa utilities board shall establish all needful, just and reasonable rules, not inconsistent with law, to govern the exercise of its powers and duties, the practice and procedure before it, and to govern the form, content and filing of reports, documents and other papers necessary to carry out the provisions of this law.

Chapter 478 provides that the Iowa utilities board shall have power to make and enforce rules relating to the location, construction, operation and maintenance of certain electrical transmission lines.

The application of the rules in this chapter to municipally-owned utilities furnishing electricity is limited by Iowa Code section 476.1B.

20.1(2) Application of rules. The rules shall apply to any electric utility operating within the state of Iowa subject to chapter 476, and to the construction, operation and maintenance of electric transmission lines to the extent provided in chapter 478, and shall supersede all conflicting ~~rules~~ tariff provisions of any ~~such~~ electric utility which were in force and effect prior to the adoption of ~~their~~ these superseding rules.

These rules are intended to promote safe and adequate service to the public, to provide standards for uniform and reasonable practices by utilities, and to establish a basis for determining the reasonableness of such demands as may be made by the public upon the utilities.

~~If unreasonable hardship to a utility or to a customer results from the application of any rule herein prescribed, application may be made to the board for the modification of the rule or for temporary or permanent exemption from its requirements.~~ A request to waive the application of any rule on a permanent or temporary basis may be made in accordance with 199—1.3.

The adoption of these rules shall in no way preclude the board from altering or amending them, pursuant to statute, or from making such modifications with respect to their application as may be found necessary to meet exceptional conditions.

These rules shall in no way relieve any utility from any of its duties under the laws of this state.

20.1(3) No change.

20.1(4) No change.

Item 17. Amend rule 199—20.2(476) as follows:

20.2(476) Records, ~~and reports,~~ and tariffs.

20.2(1) No change.

20.2(2) Tariffs to be filed with the board. ~~The utility shall file its tariff with the board, and shall maintain such tariff filing in a current status.~~

The schedules of rates of rate-regulated utilities and rules relating to the provision of electric service of all utilities shall be filed with the board and shall be classified, designated, arranged and submitted so as to conform to the requirements of this chapter. Provisions of the schedules shall be definite and so stated as to minimize ambiguity or the possibility of misinterpretation. The form, identification and content of tariffs shall be in accordance with these rules.

20.2(3) Form and identification. All tariffs shall conform to the following rules.

a. No change.

b. No change.

c. All sheets except the title page shall have, in addition to the above-stated requirements, the following ~~further~~ information:

(1) No change.

(2) No change.

(3) No change.

d. No change.

20.2(4) Content of tariffs.

a-g. No change.

h. ~~List of towns, cities, and unincorporated communities where urban rates are applicable, and~~ A list of all communities in which service is furnished at other rates.

i. The list of service areas and the rates shall be filed in ~~such a~~ a form ~~as~~ to facilitate ready determination of the rates available in each municipality and in ~~such~~ unincorporated communities ~~as that~~ that have service ~~at urban rates~~. If the utility has various rural rates, the areas where the same are available shall be indicated.

j-q. No change.

r. Notice ~~by~~ required from a customer ~~required~~ for having service discontinued.

s-z. No change.

20.2(5) Annual, periodic, and other reports to be filed with the Board.

a. No change.

b. No change.

c. No change.

d. Electric service record. Each utility shall compile a monthly record of electric service showing the production, acquisition and disposition of electric energy, the number of customer terminal voltage investigations made, the number of customer meters tested and such other information as may be required by the board. The monthly "Electric Service" record shall be compiled not later than 30 days after the end of the month covered and such record shall, upon and after compilation, be kept available for inspection by the board or its staff at the utility's principal office within the state of Iowa. A summary of the 12 monthly "Electric Service" records for each calendar year shall be attached to and submitted with the utility's annual report to the board.

e-i. No change.

j. Residential customer statistics. Each rate-regulated electric utility shall file with the board on or before the fifteenth day of each month one copy of the following residential customer statistics for the preceding month:

k. No change.

Item 18. Rescind and reserve subrule 20.3(2).

Item 19. Amend subrule 199—20.3(6) as follows:

20.3(6) Meter reading and billing interval. Readings of all meters used for determining charges and billings to customers shall be scheduled at least monthly and for the beginning and termination of service. Bills to larger customers may, for good cause, be rendered weekly or daily for a period not to exceed one month. Intervals other than monthly shall not be applied to smaller customers, or to larger customers after the initial month provided above, without ~~an exemption~~ a waiver from the board. A ~~petition for exemption~~ waiver request must include sufficient information to ~~establish good cause for the exemption~~ comply with 199-1.3. If the board denies ~~an exemption~~ a waiver, or if ~~no exemption~~ a waiver is not sought with respect to a high demand customer after the initial month, that customer's meter shall be read monthly for the next 12 months, ~~unless prior approval is received from the board for a shorter interval~~. The group of larger customers to which shorter billing intervals may be applied shall be specified in the utility's tariff sheets, but shall not include residential customers.

An effort shall be made to obtain readings of the meters on corresponding days of each meter-reading period. When the meter reading date causes a given billing period to deviate by more than 10 percent (counting only business days) from the normal meter reading period, such bills shall be prorated on a daily basis.

The utility may permit the customer to supply the meter readings by telephone or on a form supplied by the utility. The utility may arrange for customer meter reading forms to be delivered to the utility by United States mail, electronically, or by hand delivery. Unless the utility has a plan to test check meter readings a utility representative will physically read the meter at least once each 12 months.

In the event that the utility leaves a meter reading form with the customer when access to meters cannot be gained and the form is not returned in time for the billing operation, an estimated bill may be rendered.

If an actual meter reading cannot be obtained, the utility may render an estimated bill without reading the meter or supplying a meter reading form to the customer. Only in unusual cases or when approval is obtained from the customer shall more than three consecutive estimated bills be rendered.

Item 20. Amend subrule 20.3(13) as follows:

20.3(13) Extensions to customers.

a. No change.

b. ~~Terms and conditions. The utility shall extend service to new customers under the following terms and conditions:~~ Distribution or secondary lines other than service lines.

(1) Plant additions. The utility will provide all electric plant at its cost and expense without requiring an advance for construction from customers or developers except in those unusual circumstances where extensive plant additions are required before the customer can be served, or where the customer will not attach within the agreed-upon attachment period after completion of construction. In such instances, the utility shall require, no more than 30 days prior to commencement of

construction, the customer or developer to advance funds which are subject to refund as additional customers are attached. A contract between the utility and the customer which requires an advance by the customer to make plant additions shall be available for board inspection. The utility shall allow the customer or developer, at customer or developer option, to provide a contribution in aid of construction instead of an advance for construction, under subparagraphs 20.2(13)"b"(2) and (3) below.

(2) No change.

(3) No change.

~~(4) Contribution in aid of construction for service line extensions. The utility shall finance and construct either an overhead or underground service line extension without requiring a contribution in aid of construction or any payment by the applicant where the length of the overhead extension to the first point of attachment is up to 50 feet on private property or where the cost of the underground extension to the meter or service disconnect is less than or equal to the estimated cost of constructing an equivalent overhead service extension of up to 50 feet.~~

~~Where the length of the overhead service extension exceeds 50 feet on private property, the applicant shall be required to provide a contribution in aid of construction for that portion of the service extension on the private property, exclusive of the point of attachment, within 30 days after completion. The contribution in aid of construction for that portion of the service extension shall be computed as follows:~~

~~(Estimated Cost of Construction) ×~~

~~(Total Length in Excess of 50 Feet)~~

~~—Total Length of Service Extension~~

~~Where the cost of the underground service extension exceeds the estimated cost of constructing an equivalent overhead service extension of up to 50 feet, the applicant shall be required to provide a contribution in aid of construction within 30 days after completion equal to the difference between the estimated cost of constructing the underground service extension and the estimated cost of constructing an equivalent overhead service extension of up to 50 feet.~~

6.(4) Refunds. The utility shall refund to the depositor for a period of ten years, from the date of the original advance, a pro-rata share for each service attachment to the extension. The pro-rata refund shall be computed in the following manner:

~~(4)~~1. If the combined total of three times estimated base revenue for the depositor and each customer who has attached to the extension exceeds the total estimated construction cost to provide the extension, the entire amount of the advance provided by the depositor shall be refunded to the depositor.

~~(2)~~2. If the combined total of three times estimated base revenue for the depositor and each customer who has attached to the extension is less than the total estimated construction cost to provide the extension, the amount to be refunded to the depositor shall equal three times estimated base revenue of the customer attaching to the extension.

~~(3)~~3. In no event shall the total amount to be refunded to a depositor exceed the amount of the advance for construction made by the depositor. Any amounts subject to refund shall be paid by the utility without interest. At the expiration of the above-described ten-year period, the customer advance for construction record

shall be closed and the remaining balance shall be credited to the respective plant account.

c. Service lines. The utility shall finance and construct either an overhead or underground service line extension without requiring a contribution in aid of construction or any payment by the applicant where the length of the overhead extension to the first point of attachment is up to 50 feet on private property or where the cost of the underground extension to the meter or service disconnect is less than or equal to the estimated cost of constructing an equivalent overhead service extension of up to 50 feet.

Where the length of the overhead service extension exceeds 50 feet on private property, the applicant shall be required to provide a contribution in aid of construction for that portion of the service extension on the private property, exclusive of the point of attachment, within 30 days after completion. The contribution in aid of construction for that portion of the service extension shall be computed as follows:

$$\begin{aligned} & \text{(Estimated Construction Costs)} \times \\ & \frac{\text{(Total Length in Excess of 50 Feet)}}{\text{(Total Length of Service Extension)}} \end{aligned}$$

Where the cost of the underground service extension exceeds the estimated cost of constructing an equivalent overhead service extension of up to 50 feet, the applicant shall be required to provide a contribution in aid of construction within 30 days after completion equal to the difference between the estimated cost of constructing the underground service extension and the estimated cost of constructing an equivalent overhead service extension of up to 50 feet.

d. No change.

e. No change.

This rule is intended to implement Iowa Code section 476.8.

Item 21. Amend rule 199—20.6(476) as follows:

199—20.6(476) Metering.

20.6(1) No change.

20.6(2) No change.

20.6(3) No change.

20.6(4) No change.

20.6(5) Request tests. Upon request by a customer, a utility shall test the meter servicing that customer. ~~except that such tests~~ A test need not be made more frequently than once in 18 months.

20.6(6) Referee tests. Upon written request by a customer or utility, the ~~utilities~~ board will conduct a referee test of a meter. ~~except that such tests~~ A test need not be made more frequently than once in 18 months. The customer request shall be accompanied by a \$30 check or money order made payable to the utility.

20.6(7) Condition of meter. No meter shall be installed or continued in service which is known to be mechanically or electrically defective, or to have incorrect constants, or which has not been tested and adjusted if necessary in accordance with these rules. The capacity of the meter and the index mechanism shall be consistent with the electric requirements of the customer.

Item 22. Amend subrule 199—20.7(8) as follows:

20.7(8) Equipment for voltage measurements.

a. Secondary standard indicating voltmeter. Each utility shall have available at least one indicating voltmeter, ~~with an accuracy class of 0.25 pursuant to the acceptable standard listed at 20.5(2)"e."~~ This instrument shall be maintained with error no greater than 0.25 percent of full scale.

b. Working standard indicating voltmeters. Each utility shall have at least two indicating voltmeters, ~~of 1.0 accuracy class pursuant to the acceptable standard listed at 20.5(2)"e."~~ These instruments shall be maintained so as to have as-left errors of no greater than 1 percent of full scale.

c. Recording voltmeters. Each utility must have readily available at least two portable recording voltmeters with a rated accuracy of 1 percent of full scale. ~~pursuant to acceptable standards listed at 20.5(2)"f."~~

Item 23. Amend subrule 20.8(3) as follows:

20.8(3) Reportable accidents. Each utility shall maintain a summary of all reportable accidents, as defined in 199—25.5, arising from its operations.

Item 24. Amend subparagraph 199—20.9(2)"b"(6) as follows:

(6) Purchases of energy and capacity from qualifying alternate energy production facilities and ~~qualifying small hydro facilities at rates required under 199—15.12~~ 15.11(1)(476).

Item 25. Amend paragraph 199—20.10(2)"c" as follows:

c. Generating capacity estimates or allocations among and within classes shall recognize that utility systems are designed to serve both peak and off-peak demand, and shall attribute costs based upon both peak period demand and the contribution of off-peak period demand in determining generation mix. Generating capacity

estimates and allocations among and within classes shall be based on load data for each class as described in ~~20.13(3)"e"(5)~~ 199—35.9(2).

Item 26. Rescind and reserve subrules 199—20.10(7), (8), and (9).

Item 27. Amend rule 199—20.11(476) as follows:

20.11(476) Customer notification of peaks in electric energy demand. Each electric utility shall inform its customers of the significance of reductions in consumption of electricity during hours of peak demand.

20.11(1) Annual notice. Each electric utility shall provide its customers, on an annual basis, with a written notice explaining how growth in demand affects a utility's investment costs and why reduction of customer usage during periods of peak demand may help delay or reduce the amount of future rate increases. ~~On or before April 1 of each year, the utility shall either request board approval of its proposed annual notice or file a letter with the board stating that a previously approved annual notice will be used. This letter shall include the date of board approval of the annual notice. An approved~~ The notice shall be delivered to its customers between May 1 and June 15 of each year if peak demand is likely to occur during the months of June through September. ~~A copy of the notice, together with an affidavit showing when and how the notice was delivered, shall be filed with the board on or before June 30 of each year. If peak demand usually occurs during the months of October through February, the utility on or before July 1 of each year, shall either request board approval of its proposed annual notice or file a letter with the board stating that a previously approved annual notice will be used. This letter shall include the date of board approval of the annual notice. An approved~~ the notice shall be delivered to its customers between August 1 and September 15, ~~of each year. A~~

~~copy of the notice, together with an affidavit showing when and how the notice was delivered, shall be filed with the board on or before September 30 of each year.~~

20.11(2) Notification plan. ~~On or before April 15, 1983, Each investor-owned utility shall~~ have on file with the board a plan to notify its customers of an approaching peak demand on the day when peak demand is likely to occur.

- a. No change.
- b. No change.

20.11(3) Implementation of notification plan. ~~Upon approval of a peak notification plan by the board, the utility shall immediately prepare for implementation of the plan.~~ The utility shall implement the approved plan on each day of the year when peak demand is likely to occur, as prescribed by 20.11(2)"b."

20.11(4) No change.

20.11(5) No change.

Item 28. Rescind and reserve 199—20.12(476).

Item 29. Amend subrule 199—20.14(4) as follows:

20.14(4) Reporting requirements. Each electric utility electing to offer flexible rates shall file ~~semiannual~~ reports with the ~~commission~~ board within 30 days of the end of each ~~six~~ 12 months. Reports shall include the following information:

- a. Section 1 of the report will concern discounts initiated in the last ~~six~~ 12 months. For all discounts initiated in the last ~~six~~ 12 months, the report shall include:
 - (1) The identity of the new customers (by account number, if necessary);
 - (2) The value of the discount offered;
 - (3) The cost-benefit analysis results;

(4) The end-use cost of alternate fuels or energy supplies available to the customer, if relevant;

(5) The energy and demand components by month of the amount of electricity sold to the customer in the preceding ~~six~~ 12 months.

b. Section 2 of the report relates to overall program evaluation. Amount of electricity refers to both energy and demand components when the customer is billed for both elements. For all discounts currently being offered, the report shall include:

(1) The identity of each customer (by account number, if necessary);

(2) The amount of electricity sold in the last ~~six~~ 12 months to each customer at discounted rates, by month;

(3) The amount of electricity sold to each customer in the same ~~six~~ 12 months of the preceding year, by month;

(4) The dollar value of the discount in the last ~~six~~ 12 months to each customer, by month; and

(5) The dollar value ~~of~~ of sales to each customer for each of the previous 12 months.

c. Section 3 of the report concerns discounts denied or discounts terminated. For all customers specifically evaluated and denied or having a discount terminated in the last ~~six~~ 12 months, the report shall include:

(1) Customer identification (by account number, if necessary);

(2) The amount of electricity sold in the last ~~six~~ 12 months to each customer, by month;

(3) The amount of electricity sold to each customer in the same ~~six~~ 12 months of the preceding year, by month; and

(4) The dollar value of sales to each customer for each of the past 12 months.

d. No change.

Item 30. Amend rule 199—20.15(476) as follows:

199—20.15(476) Customer contribution fund.

20.15(1) Applicability and purpose. This rule applies to each electric public utility, as defined in Iowa Code sections 476.1, 476.1A, and 476.1B. Each utility shall ~~develop~~ maintain a program plan to assist the utility's low-income customers with weatherization and to supplement assistance received under the federal low-income heating energy assistance program for the payment of winter heating bills. ~~The program shall be implemented on or before March 1, 1989.~~

20.15(2) Program plan. ~~On or before February 1, 1989,~~ Each utility shall have on file with the utilities board a detailed description of its ~~proposed~~ current program plan. At a minimum, the plan shall include the following information:

a. A list of the members of the governing board or committee established to determine the appropriate distribution of the funds collected. The list shall include the organization each member represents;

b. A sample of the customer notification with a description of the method and frequency of its distribution;

c. A sample of the authorization form provided to customers;

d. The ~~anticipated~~ date of implementation.

Program plans for new customer contribution funds shall be rejected if not in compliance with this rule. ~~Program plans for existing customer contribution funds~~

~~existing prior to July 1, 1988, and determined by the board not to be in compliance with this rule shall be allowed until July 1, 1989, to comply, during which time such programs shall continue to operate.~~

20.15(3)-(6) No change.

Item 31. Rescind and reserve 199—20.16(476).

Item 32. Amend rule 199—20.17(476) as follows:

20.17(476) Ratemaking treatment of emission allowances.

20.17(1)-(12) No change.

20.17(13) Prudence of allowance transactions. The prudence of allowance transactions shall be determined by the board in the ~~annual~~ periodic electric energy supply and cost review. The prudency review of allowance transactions and accompanying compliance plans shall be based on information available at the time the options or plans were developed. Costs recovered from ratepayers through the energy adjustment that are deemed imprudent by the board shall be refunded with interest to ratepayers through the energy adjustment as specified in rule 20.9(476).

Item 33. Amend rule 199—21.1(476) as follows:

199—21.1 (476) Application of rules.

21.1(1) Application of rules. The rules apply to any water utility operating within the state of Iowa under the jurisdiction of the Iowa utilities board and are established under Iowa Code chapter 476.

These rules are intended to promote service to the public, provide standards for uniform practices by utilities, and establish a basis for determining the reasonableness of the demands made by the public upon the utilities.

~~If unreasonable hardship to a utility or to a customer results from the application of any rule prescribed, application may be made to the board for the modification of the rule or for temporary exception from its requirements. A utility or customer may file for a waiver of these rules in accordance with the provisions of 199 IAC 1.3.~~

These rules shall not relieve a utility from its duties under the laws of this state.

21.1(2) Authorization of rules. Iowa Code chapter 476 provides that the Iowa utilities board shall establish all needful, just, and reasonable rules, not inconsistent with law, to govern the exercise of its powers and duties, the practice and procedure before it, and to govern the form, content, and filing of reports, documents, and other papers necessary to carry out the provisions of this law.

Item 34. Amend subrule 199—21.2(1) as follows:

21.2(1) ~~Notice of Location and retention of records.~~ Unless otherwise specified in this chapter, ~~the utility shall keep the board informed in writing of the location at which the utility keeps the various classes of records, such as~~ all records required by these rules shall to be kept and preserved in accordance with the applicable provisions of ~~Iowa Administrative Code 199—Chapter 18, “Utility Records.”~~

Item 35. Amend paragraph 21.3(5)"e" as follows:

e. Extensions permitted. This rule shall not be construed as prohibiting any utility from making a contract with a customer in a different manner, if the contract provides a more favorable method of extension to the customer, so long as no discrimination is practiced among customers or depositors.

This rule shall not be construed as prohibiting an individual, partnership, or company from constructing its own extension. An extension constructed by a nonutility entity must meet at a minimum the applicable portions of the standards in

21.5(1) and 21.5(2) and such other reasonable standards as the utility may employ in constructing extensions, so long as the standards do not mandate a particular supplier. All connections to the utility-owned equipment or facilities shall be made by the utility at the applicant's expense. At the time of attachment to the utility-owned equipment or facilities, the applicant shall transfer ownership of the extension to the utility and the utility shall book the original cost of construction of the extension as an advance for construction and refunds shall be made to the applicant in accordance with 21.3(425)"c." The utility shall be responsible for the operation and maintenance of the extension after attachment.

Item 35. Amend subrule 199—21.6(6) as follows:

21.6(6) Request tests. A utility shall test any water meter upon written request of a customer, ~~provided a request is not made~~ The utility will not be required to perform request tests more than once each 18 months. The customer shall be given the opportunity to be present at the request tests.

Item 37. Amend paragraph 199—21.8(3)"e" as follows:

e. An affidavit from the utility showing that the notice required by Iowa Code Supplement section 476.6(18)"c" and subrule 21.8(4) has been provided and paid for by the applicant and mailed by the utility to all affected customers.

Item 38. Adopt a **new** rule 199—35.14(476).

199—35.14(476) New structure energy conservation standards. Each utility providing gas or electric service shall not provide service to any structure completed after April 1, 1984, unless the owner or builder of the structure has certified to the utility that the building conforms to the energy conservation requirements adopted under 661—16.801(103A) and 661—16.802(103A). If this compliance is already

being certified to a state or local agency, a copy of that certification shall be provided to the utility. If no state or local agency is monitoring compliance with these energy conservation standards, the owner or builder shall certify that the structure complies with the standards by signing a form provided by the utility. No certification will be required for structures that are not heated or cooled by electric service, or are not intended primarily for human occupancy.

Item 39. Adopt a **new** rule 199—35.15(476).

35.15(476) Exterior flood lighting.

35.15(1) Newly-installed lighting. All newly-installed public utility-owned exterior flood lighting shall be high-pressure sodium lighting or lighting with equivalent or better energy efficiency.

35.15(2) In-service lighting replacement schedule. In-service lighting shall be replaced with high-pressure sodium lighting or lighting with equivalent or better energy efficiency when worn-out due to ballast or fixture failure for any reason, including such things as vandalism or storm damage. Each utility shall file with the board, as part of its annual report, a report stating progress to date in converting to high-pressure sodium or lighting with equivalent or higher energy efficiency.

35.15(3) Efficiency standards. The standard for lighting efficiency shall be expressed in "lumens per watt." A schedule of lumens per watt, correlated to bulb size, shall be used to reflect the inherent increase in efficiency as bulb sizes increase. The table of values for lighting efficacy extracted from the Standard Handbook for Electrical Engineers, Donald G. Fink and H. Wayne Beaty, eds., Twelfth edition, Table 26-14, shall be the standard for high-pressure sodium street and security lighting, within a 10 percent range below the stated values.

Item 40. Adopt a **new** rule 199—36.7(476).

36.7(476) New structure energy conservation standards. Each utility providing gas or electric service shall not provide such service to any structure completed after April 1, 1984, unless the owner or builder of the structure has certified to the utility that the building conforms to the energy conservation requirements adopted under 661—16.801(103A) and 661—16.802(103A). If this compliance is already being certified to a state or local agency, a copy of that certification shall be provided to the utility. If no state or local agency is monitoring compliance with these energy conservation standards, the owner or builder shall certify that the structure complies with the standards by signing a form provided by the utility. No certification will be required for structures that are not heated or cooled by electric service, or are not intended primarily for human occupancy.

Item 41. Adopt **new** rule 199—36.8(476) as follows:

36.8(476) Exterior flood lighting.

36.8(1) Newly-installed lighting. All newly-installed public utility-owned exterior flood lighting shall be high-pressure sodium lighting or lighting with equivalent or better energy efficiency.

36.8(2) In-service lighting replacement schedule. In-service lighting shall be replaced with high-pressure sodium lighting or lighting with equivalent or better energy efficiency when worn-out due to ballast or fixture failure for any reason, including such things as vandalism or storm damage. Each utility shall file with the board, as part of its annual report, a report stating progress to date in converting to high-pressure sodium or lighting with equivalent or higher energy efficiency.

36.8(3) Efficiency standards. The standard for lighting efficiency shall be expressed in “lumens per watt.” A schedule of lumens per watt, correlated to bulb size, shall be used to reflect the inherent increase in efficiency as bulb sizes increase. The table of values for lighting efficacy extracted from the Standard Handbook for Electrical Engineers, Donald G. Fink and H. Wayne Beaty, eds., Twelfth edition, Table 26-14, shall be the standard for high-pressure sodium street and security lighting, within a 10 percent range below the stated values.

January 17, 2003

/s/ Diane Munns

Diane Munns
Chairman